

From: Bright Green Home Loans, Mark P Millett
Subject: Reg Z - Truth in Lending

Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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Name: Mark P Millett
Affiliation: Bright Green Home Loans
Category of Affiliation: Commercial
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

My specialty is hoping people going through divorces and property transfers from death and estate issues. Most of my clients do not have sufficient funds to close a new loan, and the multiplicity of new regulations makes it almost impossible to take money out of a property, make payments, and keep the loan at a reasonable size. Not having a YSP takes at least half of these people out of the market. They cannot come up with the funds to make it happen. I would suggest that you limit the YSP instead of eliminating it. A small "origination fee and a small YSP equal a "decent" fee for services rendered. My total fees vary on loans from a TOTAL 1.5% to 2.5%, depending on the size of the loan and the complexity of the deal. I have seen abusive compensation to brokers, up to 5%. 5% is ludicrous for home loans of a hundred thousand or more. If you need to reign in compensation, you need to reduce the maximum compensation to 4%. With the new disclosure rules, that will accomplish what needs to happen. WE NEED TO BE ABLE TO DO NO COST LOANS, THE BIG BANK'S WILL ABUSE THE HECK OUT OF THE NEW RULES AS PROPOSED, AS THEY CAN RAISE THE RATES AND KEEP THE CASH.